

*Dallas County Community College District*

2007-08

# Proposed Budgets

Presented July 17-18, 2007



Dallas County  
Community College District

IT ALL BEGINS HERE.

# Agenda (p.1 of 2)

## **Budget Overview**

- **2007-08 Planning Assumptions**
- **Setting the Landscape**
- **Operating Funds**
- **Non-operating Funds**

## **College Presentations**

- **Mountain View**
- **North Lake**
- **Richland**
- **Brookhaven**
- **Cedar Valley**
- **Eastfield**
- **El Centro**



# Agenda (p.2 of 2)

## **Vice Chancellor and Executive Director Presentations**

- **Andrew Jones**
- **Betheny Reid**
- **Denys Blell**
- **Susan Hall**
- **Justin Lonon**
- **Ed DesPlas**

## **Educational Campuses**

- **Eastfield College**
- **El Centro College**
- **North Lake College**
- **Richland College**

## **2007-08 Compensation Recommendations**



# Planning Assumptions for 2007-08 Budget



Dallas County  
Community College District

IT ALL BEGINS HERE.

# *Update on 2007-08 Planning Assumptions*

## Revenue:

- Assume from the State approximately \$9.4 million new dollars for the biennium
- Assume 7.99% increase in property valuation for an estimated increase of \$9.1 million
- Assume no increase in tuition rate for 2007-08
  - However, tuition revenue will increase from
    - 1) full year of current tuition rate and
    - 2) initial projected enrollment increase of 2%
  - Estimated increase from tuition = \$2.5 million



# *Update on 2007-08 Planning Assumptions*

## *Expenditures: (p. 1 of 3)*

- Consideration of \$1 million for New Program Development
- Consideration of financial plan to provide for major facility rehabilitation and repair
  - Provision each year for planned maintenance amount for each college: minimum target for 2007-08 is \$5 million (to be funded through use of fund balance)
- Consideration of \$1.5 million increase for 2007-08 budget for DO relocation
- Consideration of budget provision to support colleges with enrollment increases
  - Additional \$2.7 million put into base allocation



# *Update on 2007-08 Planning Assumptions*

## *Expenditures: (p. 2 of 3)*

- Continue to assess distance learning infrastructure capacity relative to growth; on-going, however an initial \$545,000 need has been identified for new servers, software and technical support
- Consideration of increase of \$1.2 million for emergency communication capabilities at colleges
- Consideration of compensation issues
  - Cost of Living Allowance (COLA) increase of 2.5% for all employees for a cost of approximately \$4.5 million
  - Salary schedule adjustments
    - Proposed new professional support staff salary ranges – approximate cost of \$638,000



# *Update on 2007-08 Planning Assumptions*

## *Expenditures: (p. 3 of 3)*

- Consideration of compensation issues (cont'd)
  - Faculty salary range adjustments and compression adjustments – approximately \$150,000
  - Faculty market disparity stipend - approximately \$406,000 for two-tier stipend for Nursing, Allied Health and Veterinary Technology
  - Regular job evaluation for professional support staff - \$300,000 in adjustments
  - Increase to parking stipend (El Centro and 701 employees) from \$75 to \$110 per month for a cost of \$174,000
  - Increase to Business and Travel allowance (increased amount to each administrative range by 13.5% for a cost of \$116,000)

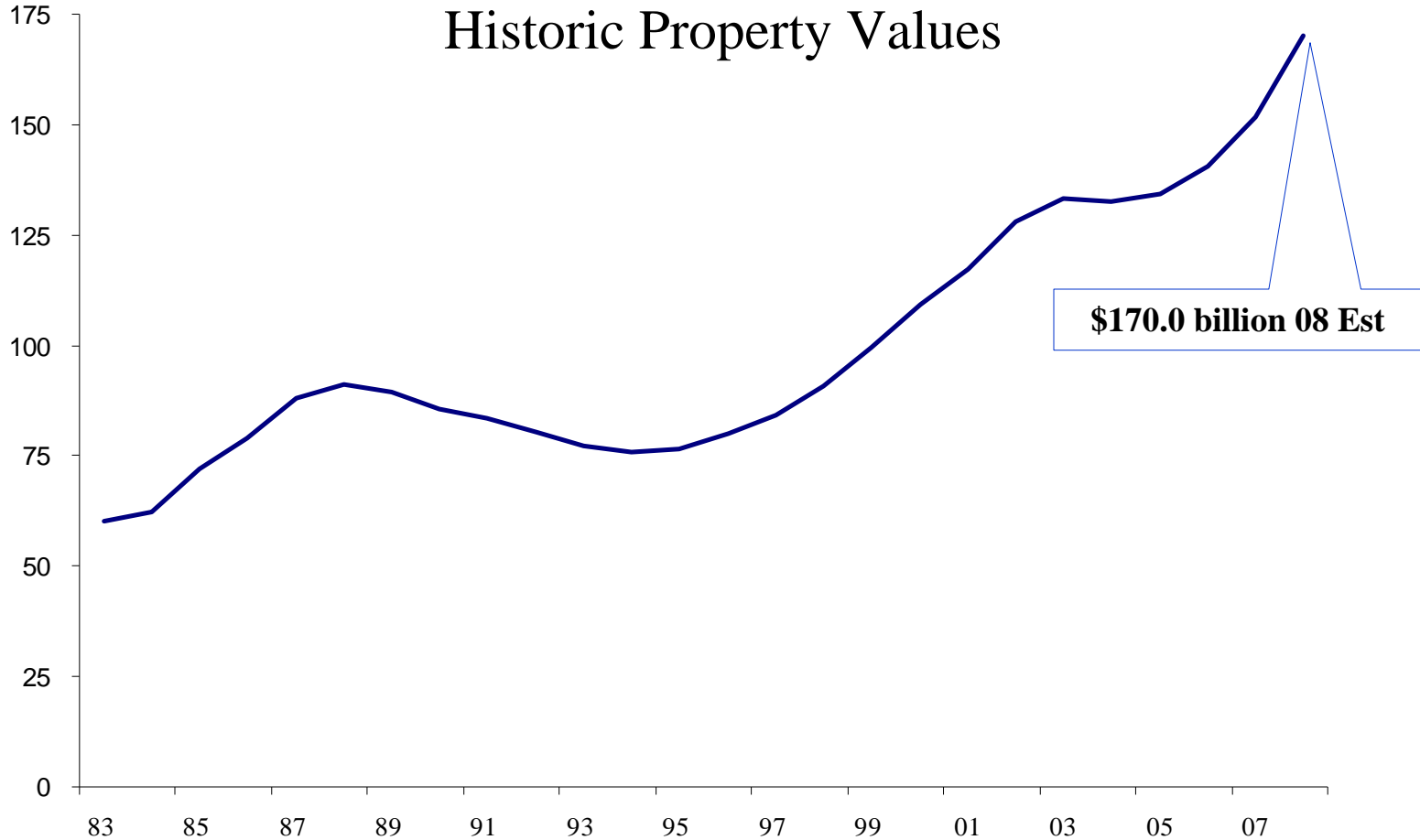
8





# Taxes

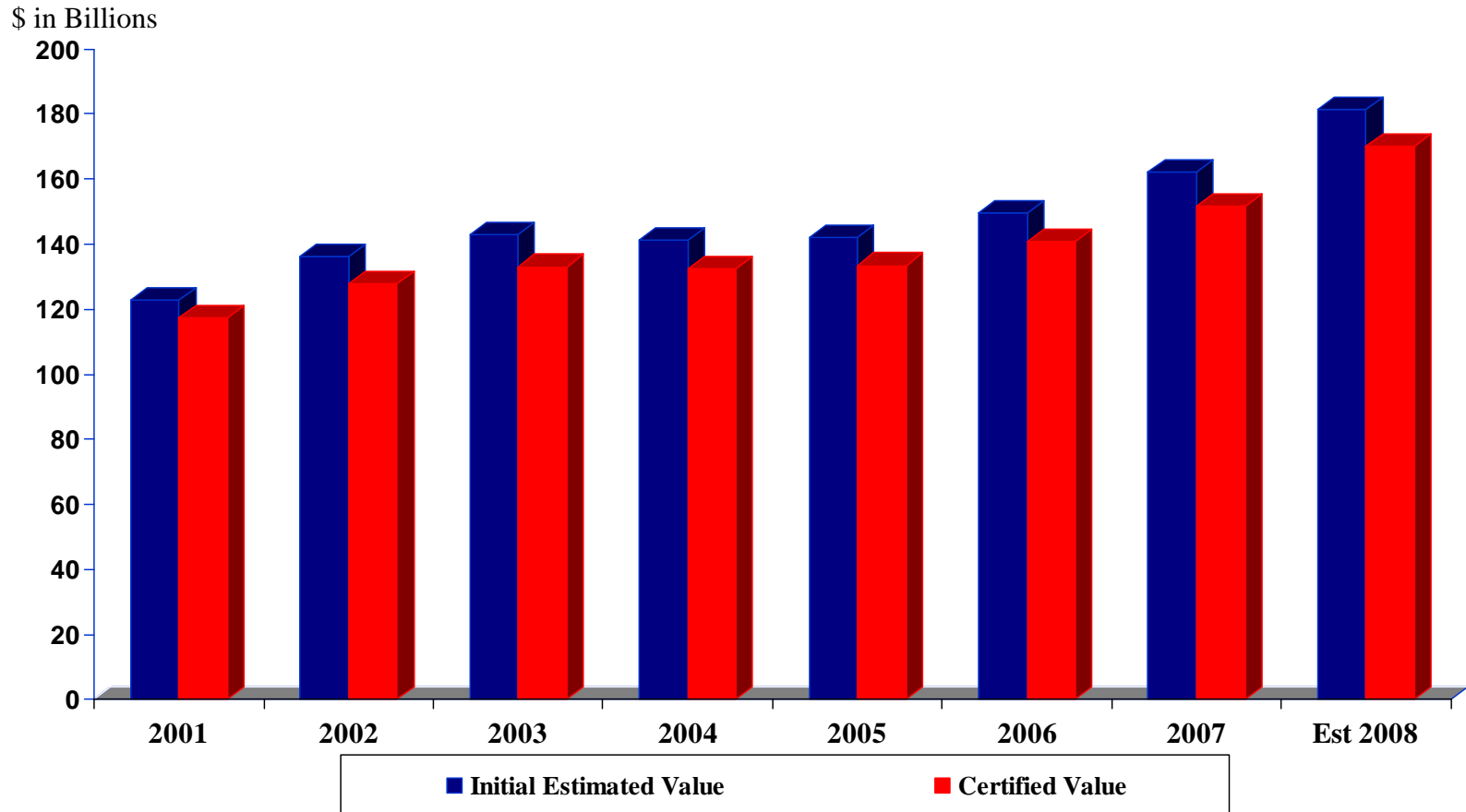
Assessed Value (\$ in Billions)



Source: Dallas Central Appraisal District



# Historic Property Values



# Taxes

## Estimated Cost to the Dallas County Homeowner

	Estimated 2006-07
\$150,000 Dallas County Home Value	\$150,000
20% Homestead Exemption	<u>30,000</u>
Net Taxable Value	<u><u>\$120,000</u></u>
Annual Taxes	
M&O \$0.0750*	\$90.00
I&S \$0.0045*	<u>5.40</u>
Total Annual Taxes at \$0.0795*	<u><u>\$95.40</u></u>

\* Rates are per \$100 of value.



# Taxes

## M&O Rates:

<u>College</u>	<u>FY2006-07</u>		
Tarrant	0.1307		
El Paso	0.1210		
San Jacinto	0.1159		
Alamo	0.0923		
Austin	0.0900		
N. Harris	0.0820		
Houston	0.0813		
Collin	0.0800		
<b>Dallas</b>	<b>0.0778</b>	Proposed FY2008	0.0750

Source: Texas Association of Community Colleges

12



**I&S Rates:**

<u>College</u>	<u>FY2006-07</u>		
Alamo	0.0448		
N. Harris	0.0347		
San Jacinto	0.0294		
Houston	0.0138		
Tarrant	0.0087		
Collin	0.0077		
Austin	0.0065		
<b>Dallas</b>	<b>0.0032</b>	Proposed FY2008	0.0045
El Paso	0.0000		

Source: Texas Association of Community Colleges



# Tuition

	<u>In-District</u>	<u>Out-of-District</u>	<u>Out-of-State/Country</u>
Current	\$39	\$72	\$115
State Average	\$54	\$79	\$121
Rank	46th	26th	21st

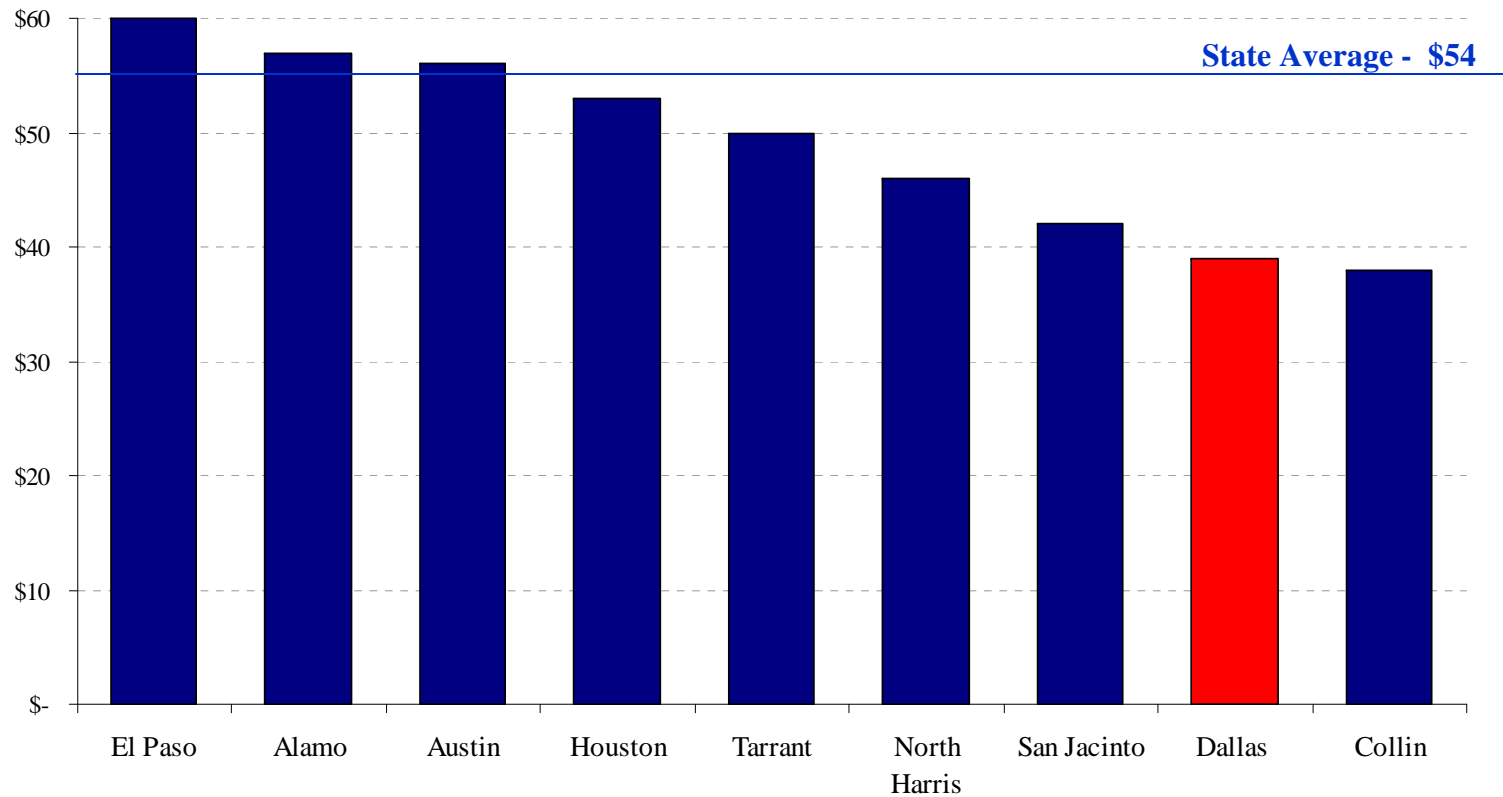
Note: Compared to 2006-07 rates; colleges have not disclosed 2007-08 plans.  
Source is TACC.org.



# Tuition

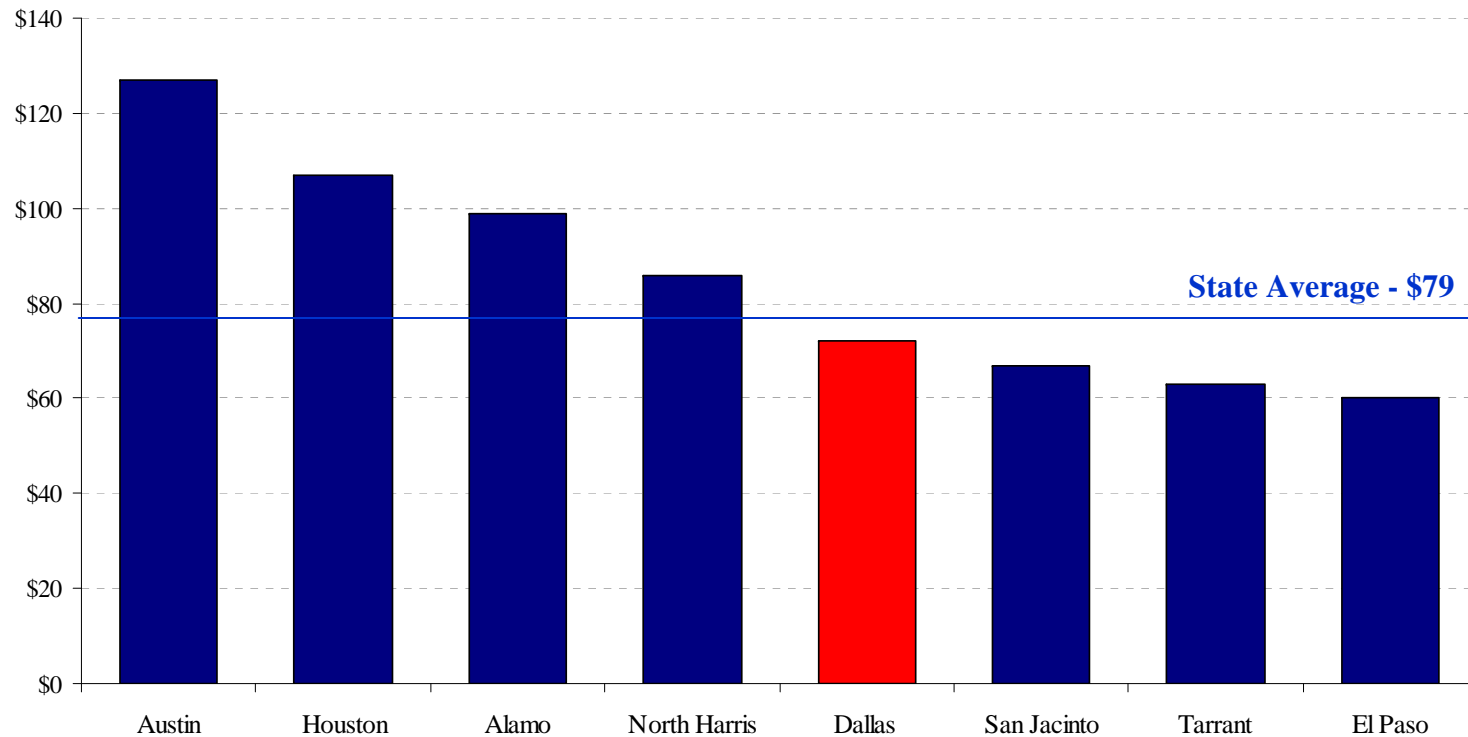
## In-District Rates at Selected Colleges

### 2006-07 Tuition per Credit Hour



# Tuition

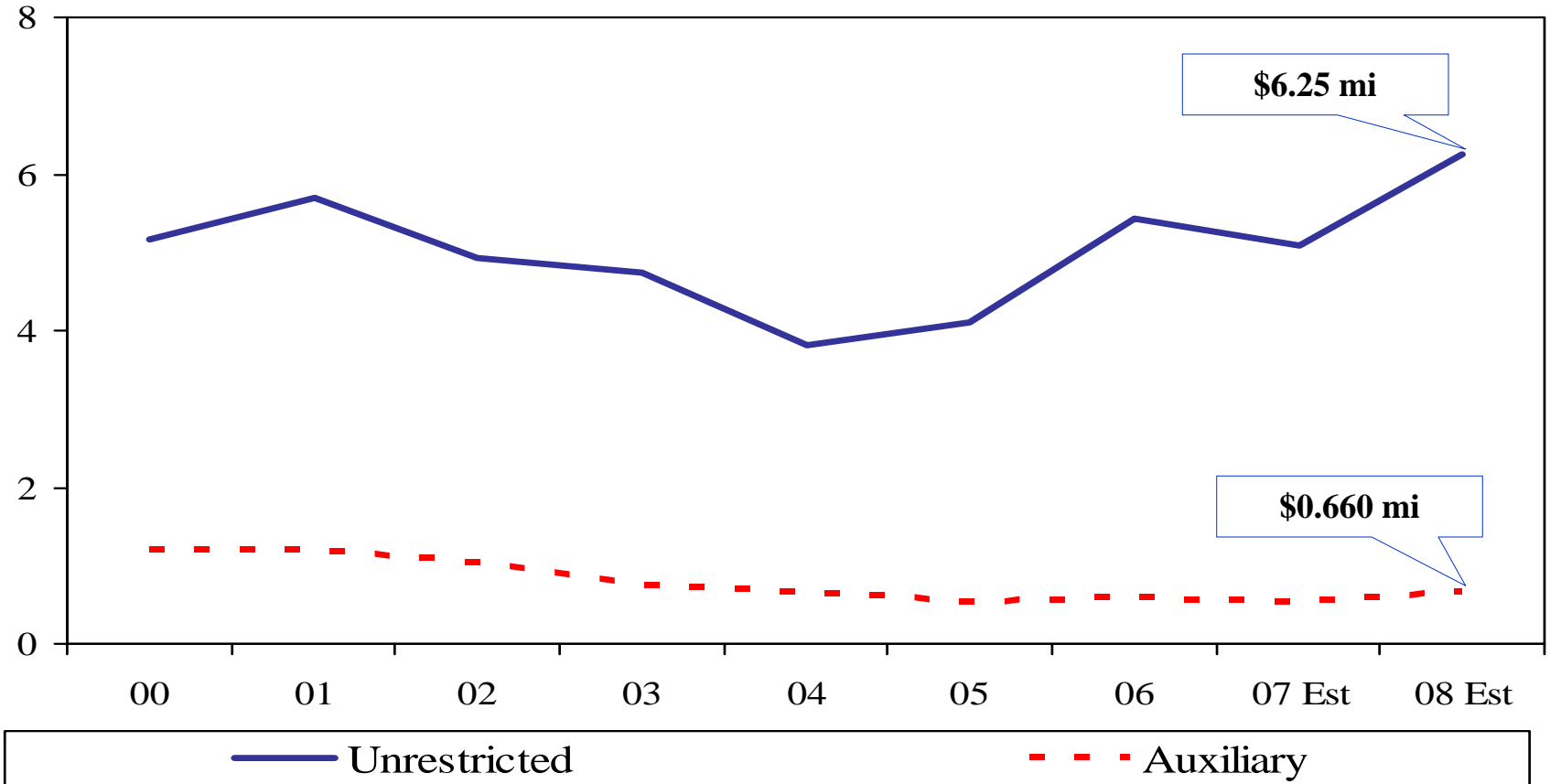
## Out-of-District Rates at Selected Colleges 2006-07 Tuition per credit hour





# Investment Income

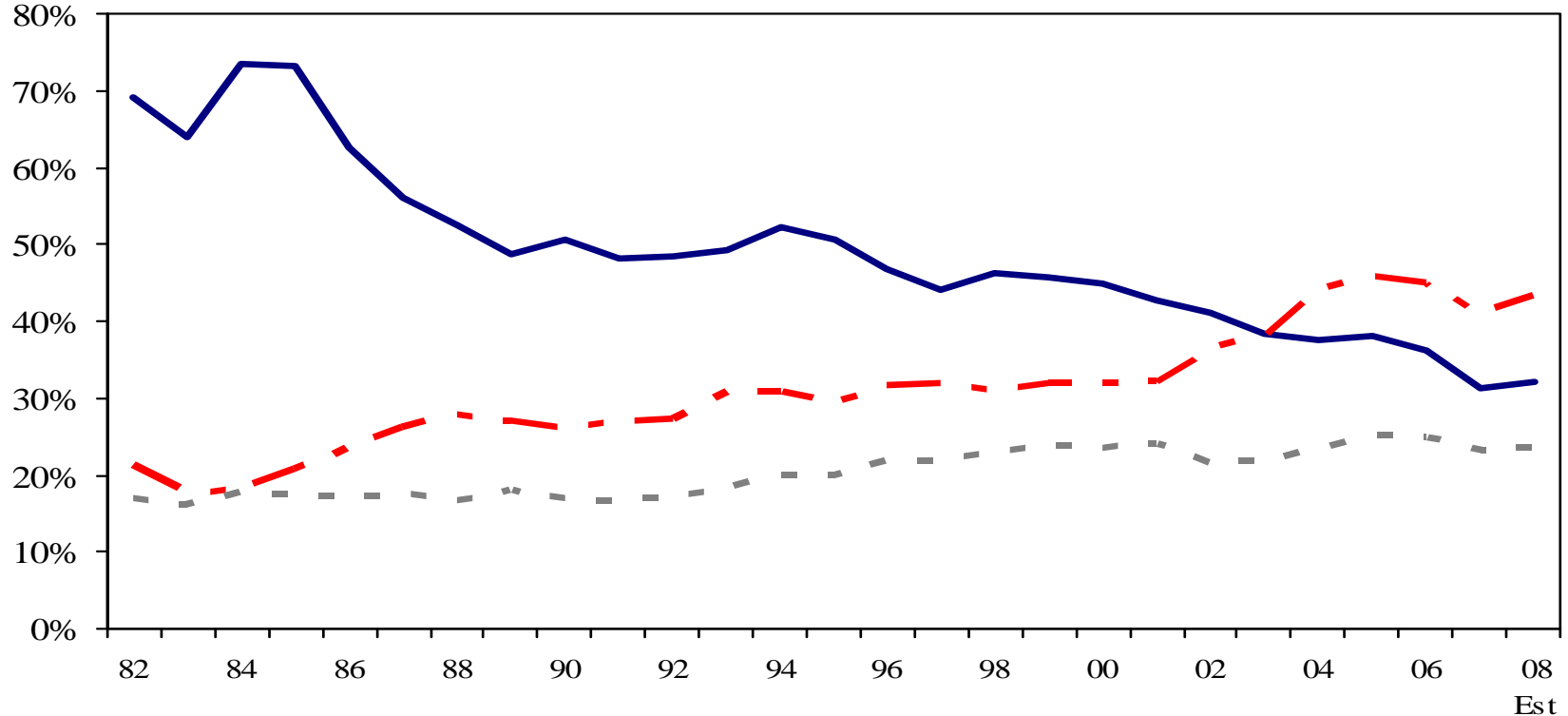
\$ in Millions



# Unrestricted Revenue

## Contribution Ratios

% of Total Educational & General Expenditures



— State

- - Ad Valorem Taxes

- - Tuition & Fees

18



Dallas County  
Community College District

IT ALL BEGINS HERE.

# *Types of Funds*

## I. Operating (Current) Funds

- A. Unrestricted
- B. Auxiliary
- C. Restricted

## II. Non-operating Funds

- A. Unexpended Plant
- B. Debt Service
- C. Loan
- D. Quasi-endowment



# Operating (Current) Funds

## Overview

	Approved 2006-07	Proposed 2007-08	Difference
Unrestricted	<b>\$280,336,442</b>	<b>\$ 288,107,591</b>	<b>\$ 7,771,149</b>
Auxiliary	<b>11,597,228</b>	<b>11,060,194</b>	<b>(537,034)</b>
Restricted	<b>102,484,766</b>	<b>102,903,884</b>	<b>419,118</b>
Subtotal	<b>\$394,418,436</b>	<b>\$ 402,071,669</b>	<b>\$ 7,653,233</b>
RCHS <sup>1</sup>	<b>980,420</b>	<b>\$ 1,806,465</b>	<b>826,045</b>
Grand Total	<b><u>\$395,398,856</u></b>	<b><u>\$ 403,878,134</u></b>	<b><u>\$ 8,479,278</u></b>

<sup>1</sup> Richland Collegiate High School



## **Highlights**

### Unrestricted Revenue

- State Appropriations increased \$4.7 million
- Tuition projected to increase \$2.9 million
  - \$1.0 million for projected 2% credit enrollment increase
  - \$1.5 million for full year at current tuition rate
  - \$0.4 million increase projected for continuing education
- Record tax base expected resulting in \$9.1 million revenue increase, keeping below the rollback rate
- Increase in state, tuition and tax revenue increases pool for investments resulting in projected \$1.2 million increase
- \$5.0 million to be used for planned maintenance will come from fund balance



## **Highlights**

### Unrestricted Expenditures (p. 1 of 2)

- 2.5% salary increase proposed for all employees
- \$1.1 million proposed to fund PSS and faculty schedule changes, compression adjustments, parking stipends for District Office and El Centro employees, and business and travel increases for administrators
- \$0.4 million proposed for faculty market disparity stipends
- \$1.0 million reserved for new program development
- \$7.1 million reserve for FY2009 benefits established
- \$5.0 million reserve for planned maintenance



## **Highlights**

### Unrestricted Expenditures (p. 2 of 2)

- \$1.2 million reserved for support of emergency communications acquisition
- \$1.5 million to support District Office relocation project
- \$0.6 million reserved for mid-year adjustments to college allocations



# *Unrestricted*

## **Revenues & Additions**

	Approved 2006-07	Proposed 2007-08	Difference
State Appropriations	\$ 84,752,747	\$ 89,473,204	\$ 4,720,457
Tuition	61,304,028	64,164,856	2,860,828
Taxes for Current Operations	110,791,496	119,889,500	9,098,004
Federal Grants & Contracts	1,133,870	1,048,090	(85,780)
State Grants & Contracts	144,642	131,292	(13,350)
Investment Income	5,077,543	6,250,000	1,172,457
General Revenue	2,164,983	2,150,649	(14,334)
Use of Fund Balance	14,967,133	5,000,000	(9,967,133)
Total	<u>\$280,336,442</u>	<u>\$ 288,107,591</u>	<u>\$ 7,771,149</u>





# Unrestricted

## Expenditures & Uses

	Approved 2006-07 <sup>1</sup>	Proposed 2007-08	Difference
Instruction	\$ 118,339,182	\$ 108,595,822	\$ (9,743,360)
Public Service	5,651,347	5,308,955	(342,392)
Academic Support	16,934,565	23,832,589	6,898,024
Student Services	25,173,405	24,914,859	(258,546)
Institutional Support	51,218,089	50,518,036	(700,053)
Staff Benefits	10,171,219	10,082,226	(88,993)
Plant Operations & Maintenance	27,238,985	26,800,503	(438,482)
Repairs & Rehabilitation	9,465,558	5,992,591	(3,472,967)
Reserve - Campus	1,668,188	1,800,771	132,583
Reserve - Compensation	-	13,570,650	13,570,650
Reserve - Operating	1,163,500	4,209,167	3,045,667
Reserve - New Campuses	500,000	500,000	-
Reserve - Non-operating	230,116	500,000	269,884
Mandatory Transfers	2,246,854	2,406,046	159,192
Non-mandatory Transfers	10,335,434	9,075,376	(1,260,058)
Total	<u>\$ 280,336,442</u>	<u>\$ 288,107,591</u>	<u>\$ 7,771,149</u>

<sup>1</sup> Includes approved use of fund balance.



# Unrestricted

## Expenditures & Uses

	Approved 2006-07 <sup>1</sup>	Proposed 2007-08	Difference
Instruction	\$ 114,966,254	\$ 108,595,822	\$ (6,370,432)
Public Service	5,491,345	5,308,955	(182,390)
Academic Support	16,313,239	23,832,589	7,519,350
Student Services	24,976,262	24,914,859	(61,403)
Institutional Support	49,594,628	50,518,036	923,408
Staff Benefits	10,170,331	10,082,226	(88,105)
Plant Operations & Maintenance	27,134,180	26,800,503	(333,677)
Repairs & Rehabilitation	640,678	5,992,591	5,351,913
Reserve - Campus	1,668,188	1,800,771	132,583
Reserve - Compensation	-	13,570,650	13,570,650
Reserve - Operating	1,163,500	4,209,167	3,045,667
Reserve - New Campuses	500,000	500,000	-
Reserve - Non-operating	230,116	500,000	269,884
Mandatory Transfers	2,246,854	2,406,046	159,192
Non-mandatory Transfers	10,273,734	9,075,376	(1,198,358)
Total	<u>\$ 265,369,309</u>	<u>\$ 288,107,591</u>	<u>\$ 22,738,282</u>

<sup>1</sup> Excludes approved use of fund balance.



# Highlights

- Approximately \$0.6 million reduction in Sales & Services revenue and expense due to pending close of sale of UCD
- Transfer from unrestricted to auxiliary funds increased by approximately \$0.5 million



# Auxiliary

## Revenues & Additions

	Approved 2006-07	Proposed 2007-08	Difference
Sales & Services	\$ 6,621,973	\$ 6,104,397	\$ (517,576)
Investment Income	385,322	432,000	46,678
Transfers-in	4,003,439	4,523,797	520,358
Use of Fund Balance	586,494	-	(586,494)
Total	<u>\$11,597,228</u>	<u>\$ 11,060,194</u>	<u>\$ (537,034)</u>



## Expenditures & Uses

	Approved 2006-07 <sup>1</sup>	Proposed 2007-08	Difference
Student Activities	\$ 6,332,711	\$ 6,080,844	\$ (251,867)
Sales & Services	4,666,963	3,929,815	(737,148)
Reserve - Campus	128,938	567,459	438,521
Reserve - District	327,816	364,163	36,347
Transfers-out	140,800	117,913	(22,887)
Total	<u>\$ 11,597,228</u>	<u>\$ 11,060,194</u>	<u>\$ (537,034)</u>

<sup>1</sup> Includes approved use of fund balance.



## Expenditures & Uses

	Approved 2006-07 <sup>1</sup>	Proposed 2007-08	Difference
Student Activities	\$ 5,784,742	\$ 6,080,844	\$ 296,102
Sales & Services	4,628,438	3,929,815	(698,623)
Reserve - Campus	128,938	567,459	438,521
Reserve - District	327,816	364,163	36,347
Transfers-out	140,800	117,913	(22,887)
Total	<u>\$ 11,010,734</u>	<u>\$ 11,060,194</u>	<u>\$ 49,460</u>

<sup>1</sup> Excludes approved use of fund balance.



## Highlights

- State appropriation for health benefits increased by \$1.8 million for 2007-08
- Some grants ended or reduced decreasing revenue and expenses
  - Dallas County Local Worksource Board statewide activities grant ended
  - Upward Bound reduced
  - STARLINK reduced
  - RCHS grant ended
- New Texas Workforce Commission grant of \$0.9 million



# Restricted

## Revenues & Additions

	<u>Approved 2006-07</u>	<u>Proposed 2007-08</u>	<u>Difference</u>
Insurance/Retirement Match	\$ 20,959,931	\$ 23,258,341	\$ 2,298,410
SBDC State Match	<u>1,365,210</u>	<u>1,501,733</u>	<u>136,523</u>
Subtotal State Appropriations	22,325,141	24,760,074	2,434,933
Grants & Contracts			
Federal	65,273,765	63,601,103	(1,672,662)
State	7,208,445	7,032,507	(175,938)
Local	6,488,181	6,568,181	80,000
Transfers-in	<u>903,745</u>	<u>942,019</u>	<u>38,274</u>
Total	102,199,277	102,903,884	704,607
Richland Collegiate High School <sup>1</sup>	<u>285,489</u>	<u>-</u>	<u>(285,489)</u>
Grand Total	<u>\$102,484,766</u>	<u>\$102,903,884</u>	<u>\$ 419,118</u>

<sup>1</sup> Richland Collegiate High School





# *Restricted*

## **Expenditures & Uses**

	<b>Approved 2006-07</b>	<b>Proposed 2007-08</b>	<b>Difference</b>
Insurance/Retirement Match	<b>\$ 20,959,931</b>	<b>\$ 23,258,341</b>	<b>\$ 2,298,410</b>
Grants & Contracts	<b>35,323,332</b>	<b>33,691,255</b>	<b>(1,632,077)</b>
Scholarships	<b>45,916,014</b>	<b>45,954,288</b>	<b>38,274</b>
Subtotal	<b>\$102,199,277</b>	<b>\$ 102,903,884</b>	<b>\$ 704,607</b>
RCHS <sup>1</sup>	<b>285,489</b>	<b>-</b>	<b>(285,489)</b>
Grand Total	<b><u>\$102,484,766</u></b>	<b><u>\$ 102,903,884</u></b>	<b><u>\$ 419,118</u></b>

<sup>1</sup> Richland Collegiate High School



# *Richland Collegiate HS*

## **Revenues and Additions**

	<b>Approved 2006-07</b>	<b>Proposed 2007-08</b>	<b>Difference</b>
State Funding	<b>\$ 980,420</b>	<b>\$ 1,806,465</b>	<b>\$ 826,045</b>

## **Expenditures and Uses**

	<b>Approved 2006-07</b>	<b>Proposed 2007-08</b>	<b>Difference</b>
Instruction	<b>\$ 429,039</b>	<b>\$ 1,001,000</b>	<b>\$ 571,961</b>
Academic Support	<b>107,502</b>	<b>241,156</b>	<b>\$ 133,654</b>
Student Services	<b>106,229</b>	<b>154,029</b>	<b>\$ 47,800</b>
Institutional Support	<b>337,650</b>	<b>410,280</b>	<b>\$ 72,630</b>
Total	<b>\$ 980,420</b>	<b>\$ 1,806,465</b>	<b>\$ 826,045</b>



# *Non-operating Funds*

## **Overview**

	<b>Approved 2006-07</b>	<b>Proposed 2007-08</b>	<b>Difference</b>
Unexpended Plant	<b>\$ 86,624,423</b>	<b>\$ 178,323,654</b>	<b>\$ 91,699,231</b>
Debt Service	<b>16,231,845</b>	<b>19,240,675</b>	<b>3,008,830</b>
Quasi-endowment	<b>591,726</b>	<b>630,000</b>	<b>\$ 38,274</b>



# *Unexpended Plant*

## **Highlights**

- Approximately \$150 million of commercial paper will be issued in FY2008 as interim financing for bond program projects
- Expenditures will increase considerably as the design phase escalates and construction begins on the new buildings in the bond program



# *Unexpended Plant*

## **Revenues and Additions**

	<b>Approved 2006-07</b>	<b>Proposed 2007-08</b>	<b>Difference</b>
Investment Revenue	\$ 2,149,867	\$ 1,600,000	\$ (549,867)
General Obligation Bonds	-	-	-
Commercial Paper	27,000,000	150,000,000	123,000,000
Transfers-in	3,752,763	1,500,000	(2,252,763)
Use of Fund Balance	53,721,793	25,223,654	(28,498,139)
Total	<u>\$ 86,624,423</u>	<u>\$ 178,323,654</u>	<u>\$ 91,699,231</u>



# *Unexpended Plant*

## **Expenditures and Uses**

	<b>Approved 2006-07</b>	<b>Proposed 2007-08</b>	<b>Difference</b>
Bldg & Physical Plant Repairs	\$ 9,491,479	\$ 9,820,451	\$ 328,972
Construction & Land Purchases	55,446,869	148,006,942	92,560,073
Architects	17,232,364	16,787,341	(445,023)
Furniture & Equipment	4,053,711	3,635,464	(418,247)
Bond Cost of Issuance	-	-	-
Commercial Paper Cost of Issuance	400,000	73,456	(326,544)
Non-mandatory Transfers	-	-	-
<b>Total</b>	<b>\$ 86,624,423</b>	<b>\$ 178,323,654</b>	<b>\$ 91,699,231</b>



# Highlights

- Estimated interest and sinking (I&S) tax rate for FY2008 is \$0.0045 per \$100 of valuation
- Increased expenditures include approximately \$2.2 million in interest payments on commercial paper



# Debt Service

## Revenues and Additions

	<u>Approved 2006-07</u>	<u>Proposed 2007-08</u>	<u>Difference</u>
Investment Revenue	\$ 91,478	\$ 50,000	\$ (41,478)
Taxes (Maintenance Tax Notes)	6,007,460	6,127,618	120,158
Taxes (General Obligation Bonds)	5,451,005	5,445,996	(5,009)
Taxes (Commercial Paper)	-	2,222,436	2,222,436
Transfer-in (Tuition)	1,894,389	2,134,765	240,376
Transfer-in (Auxiliary Fund)	-	-	-
Transfer-in (Unrestricted)	2,787,513	3,259,860	472,347
Total	<u>\$ 16,231,845</u>	<u>\$ 19,240,675</u>	<u>\$ 3,008,830</u>





# Debt Service

## Expenditures and Uses

	Approved 2006-07	Proposed 2007-08	Difference
G.O. Bond Principal & Interest	\$ 5,304,125	\$ 5,299,250	\$ (4,875)
G.O. Bond Debt Service	1,000	1,000	-
Revenue Bonds Principal & Interest	4,564,024	5,234,594	670,570
Revenue Bonds Debt Service Expense	1,075	1,750	675
MTN Principal & Interest	5,846,088	5,963,331	117,243
MTN Debt Service Expenses	600	300	(300)
CP Interest Expense	-	2,162,959	2,162,959
Lone Star Notes (State of TX)	208,281	208,281	-
Uncollectible Tax Expense	79,064	95,193	16,129
Tax Collection Fees	227,588	274,017	46,429
Total	<u>\$ 16,231,845</u>	<u>\$ 19,240,675</u>	<u>\$ 3,008,830</u>



# *Quasi-endowment*

## **Revenues**

	<b>Approved 2006-07</b>	<b>Proposed 2007-08</b>	<b>Difference</b>
Investment Income	\$ 191,726	\$ 230,000	\$ 38,274
Lease Income	400,000	400,000	-
Use of Fund Balance	-	-	-
<b>Total</b>	<b>\$ 591,726</b>	<b>\$ 630,000</b>	<b>\$ 38,274</b>

## **Expenditures**

Transfers-out (Rising Star Program)	\$ 591,726	\$ 630,000	\$ 38,274
<b>Total</b>	<b>\$ 591,726</b>	<b>\$ 630,000</b>	<b>\$ 38,274</b>



# *Concluding Remarks*



# 2007-08

# College Presentations



Dallas County  
Community College District

IT ALL BEGINS HERE.

# Vice Chancellor and Executive Directors Presentations



Dallas County  
Community College District

IT ALL BEGINS HERE.

# Educational Campuses Presentations



Dallas County  
Community College District

IT ALL BEGINS HERE.

2007-08

Compensation  
Recommendations



## Summary of Compensation Adjustments - Fund 11

2.5% Across the Board, Cost of Living	\$4,500,000
Professional Support Staff salary range adjustments	638,000
Professional Support Staff job evaluation adjustments	300,000
Faculty salary range adjustments and compression adjustment	150,000
Two-tier Faculty Market Disparity Stipends	406,000
Changes to Business and Travel Allowances	116,000
Increase to Parking Stipends - El Centro and 701 Elm	174,000
<b>Total</b>	<b>\$6,284,000</b>





# The End

